



Ernst & Young Tax Educators' Symposium A Report by Associate Dean Kris Neslund

On October 26, 2006, over 60 leading tax professors descended upon Washington, D.C. for Ernst & Young's Tax Educators' Symposium. This was the program's second year after a brief hiatus, and opinion was uniform among attendees that its return was welcome.

Over the day-and-a-half program, the faculty had the opportunity to hear from several key figures in the tax field. Mark Weinberger, Ernst & Young's Vice Chair for Tax Services, gave an absorbing presentation on expected legislative trends. Of course, he had to caveat much in light of the uncertainty as to which party would control Congress after the November election; but he felt it was clear that the complex financial circumstances of the United States government would be a driver in tax and budgetary policy for the foreseeable future. He gave numerous statistics on deficits "as far as the eye can see", driven not only by the costs of military interventions, but also by the long-known avalanching retirement of the Boomers. He pointed out that, as serious as Social Security's insolvency is, the cost of federal medical programs will dwarf it, drawing many points of GDP away from the private sector. He also noted the vast US trade imbalance primarily related to this country's unrelenting thirst for foreign oil. His presentation gave us all much to ponder as we shuffled off to the day's educational events.

The faculty also had the opportunity to hear IRS Chief Council Donald Korb discuss the state of his department. He emphasized that IRS attorneys are again focusing on enforcement, noting such major recent victories as the Glaxo \$3.4 billion settlement. He forcefully advocated that young people consider a period of government service—and not only for reasons of good citizenship. He chronicled his own career, which began with the Chief Counsel's office. Among his first assignments was membership on one of the principal teams investigating Watergate. After several years in private practice, he returned to the IRS and helped shape the Tax Reform Act of 1986. Now, after another period of practice, he has returned as Chief Council.

His office is expanding aggressively. He introduced two new full-time recruiters who have been hired to help induce the best and brightest young attorneys to the Service. He then surprised the audience by making the first public announcement that the Chief Counsel is initiating a non-

attorney internship program. Although details were sparse, Golden Gate University became the first institution to indicate its interest in participating in this exciting new opportunity.

A broad array of topics were covered at the symposium. Ernst & Young arranged a special program for masochists—FAS 109/FIN 48—which lasted the entire day and a half. Because of the critical role these provisions are playing in the tax field, both Dean Mary Canning and I joined this group. Four senior Ernst & Young experts guided us through the maze. It's fair to say that our heads were spinning by the end of the second session. However, we felt energized to return to San Francisco and contemplate how to integrate this essential content into our programs.

The handouts for the symposium were terrific and comprehensive, so we're going to make them available via the clickable under the link to this document. Of special interest is the 300-plus page "Financial Reporting Developments: Accounting for Income Taxes", updated through August, which thoroughly discusses this topic.